

House Bill 1093
Testimony of Phil Davis
Job Service North Dakota
Before the
House Committee On
Government and Veterans Affairs
Representative Schauer, Chair
January 6th, 2023

Mr. Chairman, members of the committee, my name is Phil Davis, Workforce Services Director of Job Service North Dakota. I am here today in support of House Bill 1093.

Selling property owned by Job Service is somewhat unique based upon the fact that the agency is funded almost exclusively by the federal government, with our properties funded entirely by the federal government. Because of the federal investment, we are required to follow both state and federal laws when disposing of these properties.

There are a variety of requirements that federal law outlines as it relates to property disposal, with a key component being that properties must be appraised and subsequently sold at fair market value, eliminating our ability to transfer the property to another entity at no cost or at a significantly reduced amount.

The property we are seeking permission to sell is the lot located directly west of the Grand Forks Workforce Center. It is mostly grass and measures 150 feet by 100 feet. We do not utilize the lot for any purpose and have no plans to do so in the future, however we do incur costs to maintain the appearance of the lot.

Although we have not expended the funds to complete an appraisal due to the lack of authority to sell the property, the value of the property is estimated at \$105,000.

Federal law also dictates how sale proceeds are to be disbursed, requiring that proceeds of any sale be returned to the program from which the funding originated. In the case of the Grand Forks property, the Unemployment Insurance and Wagner-Peyser federal programs provided the funding for the acquisition of the property and any sale proceeds would be returned to these federal grant programs for use in North Dakota.

Mr. Chairman, this concludes my testimony. At this time, I would be happy to answer questions from the committee.